

BEFORE THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

*[Gaffney, South Carolina]*

HEARING # 10-11091

MARCH 15, 2010

6:00 P.M.

DOCKET NO. 2009-479-WS:

UNITED UTILITY COMPANIES, INC. - Application for Adjustment of Rates and Charges, and Modification to Certain Terms and Conditions for the Provision of Water and Sewer Services

TRANSCRIPT OF TESTIMONY  
AND PROCEEDINGS

VOLUME 4

HEARING BEFORE: Elizabeth B. 'Lib' FLEMING, *CHAIRMAN*, John E. "Butch" HOWARD, *VICE CHAIRMAN*; and COMMISSIONERS David A. WRIGHT, G. O'Neal HAMILTON, Swain E. WHITFIELD, and Randy MITCHELL.

ADVISOR TO COMMISSION: B. Randall Dong, Esq.

STAFF: Jocelyn G. Boyd, Interim Chief Clerk/Administrator; James Spearman, Ph.D., Executive Assistant to Commissioners; William O. Richardson, Advisory Staff; Patty Sands, Executive Staff; and Jo Elizabeth M. Wheat, CVR-CM-GNSC, Court Reporter.

APPEARANCES:

*JOHN M.S. HOEFER, ESQUIRE*, representing UNITED UTILITY COMPANIES, INC., APPLICANT

*WILLIAM H. JORDAN, ESQUIRE*, representing NORTH GREENVILLE UNIVERSITY, INTERVENOR

*NANETTE S. EDWARDS, ESQUIRE*, representing THE OFFICE OF REGULATORY STAFF

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***PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA***

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P R O C E E D I N G S

**CHAIRMAN FLEMING:** This hearing will now come to order. At this time I'd like to introduce the people up here. I'm Lib Fleming, Chair of the Public Service Commission. To my left is Commissioner O'Neal Hamilton, Commissioner David Wright, and Commissioner Butch Howard, who is our Vice Chair, and Attorney Randall Dong. And to my right is Commissioner Swain Whitfield and Commissioner Randy Mitchell.

And at this time, I'm going to -- well, no, before I turn it over to the attorney, I want the people at this table to introduce themselves, starting with Mr. Hoefer.

**MR. HOEFER:** Thank you, Madam Chairman, members of the Commission. My name is John Hoefer. I'm an attorney with Willoughby & Hoefer, in Columbia, and I represent the Applicant, United Utility Companies, Incorporated, in this proceeding.

**CHAIRMAN FLEMING:** Glad to have you here.

**MR. HOEFER:** Thank you.

**MR. JORDAN:** My name is Will Jordan, from Smith Moore Leatherwood in Greenville, and I represent North Greenville University, one of the

1 Intervenor in this action.

2 **CHAIRMAN FLEMING:** Nice to have you here, as  
3 well, Mr. Jordan.

4 **MS. EDWARDS:** Good afternoon. My name is  
5 Nanette Edwards, and I represent the South Carolina  
6 Office of Regulatory Staff.

7 **CHAIRMAN FLEMING:** Nice to have you here, as  
8 well. And Mr. Dong, if you could tell us a little  
9 bit about the procedures for tonight.

10 **MR. DONG:** Welcome. My name is Randall Dong,  
11 and I am staff counsel to the Commission.

12 Before we get started, I'd like to ask  
13 everybody to please silence your cell phones, if  
14 you have them on you.

15 While you're doing that, this is a local  
16 public hearing for Docket No. 2009-479-WS. And in  
17 just a moment I'll be calling the names of those  
18 who signed up to come forward and give their  
19 statements to the Commission regarding the rate  
20 increase proposed by the company.

21 Tonight's hearing is part of an overall  
22 process that the Commission goes through when  
23 considering a rate case. Just to give you a  
24 summary of the process, the company files an  
25 application for rate changes. It is then noticed

1 to the public. And in a case like this one, the  
2 Commission will set up one or more evening public  
3 hearings so that the public may be heard regarding  
4 the concerns about the company's application. The  
5 Commission will also, on March 23rd, at 10:30 a.m.,  
6 continue this process by hearing from the  
7 accountants and engineers who have evaluated the  
8 company's rate increase request.

9 Tonight's hearing is for you. The court  
10 reporter, Ms. Jo Wheat, will record everything you  
11 say, and you will be sworn in. We would ask that  
12 you state your name and address after being sworn  
13 in, and speak into the microphone. This is your  
14 opportunity to place your thoughts regarding the  
15 proposed rate increase into the record, but it is  
16 not the time for you to ask the Commissioners  
17 questions. The Commissioners cannot discuss the  
18 case with you, or answer questions regarding the  
19 case, but representatives from the Office of  
20 Regulatory Staff and the utility are present and  
21 can answer your questions at the conclusion of the  
22 hearing.

23 The Commission will continue to gather  
24 evidence in this case until the conclusion of the  
25 March 23rd hearing. Thereafter, the Commission

1 will consider all the information it gets from all  
2 of the hearings and will render a decision on the  
3 matter on or before May 17, 2010.

4 The Commission hasn't imposed any formal time  
5 limits on each speaker tonight. But please  
6 recognize that there are a number of speakers here  
7 who signed up to be heard, so you can help us out  
8 if you'll tell us what you want to tell us within a  
9 short period of time. Also, if you want to adopt  
10 testimony that's been given by a previous witness,  
11 you can do that, as well.

12 You will be subject to questions from the  
13 parties and the Commissioners, and possible  
14 objections from the parties. Please remain at the  
15 podium after you have spoken so that the  
16 Commissioners or lawyers can ask any questions. If  
17 you speak tonight, you will be permitted only to  
18 speak tonight and not at the hearing in Columbia,  
19 unless otherwise directed by the Commission.

20 Mr. Hoefer, the lawyer for the company, has  
21 posed a general objection, and I'm going to ask him  
22 to go ahead and state that objection, and then ask  
23 that the other attorneys respond.

24 **MR. HOEFER:** Thank you, Mr. Dong. The  
25 Applicant would like to state its objection to

1 testimony regarding quality of service not  
2 substantiated by data or not made based upon  
3 scientific criteria. The bases for this objection  
4 are Patton versus PSC reported at 312 S.E.2d 257;  
5 Court of Common Pleas' order in Tega Cay Water  
6 Service versus PSC, Civil Action No. 97-CP-40-0923;  
7 and Commission Order No. 1999-191, Docket No. 96-  
8 137-WS.

9 The Applicant requests that this objection be  
10 deemed a continuing objection, such that there  
11 would not be a need for repeated objection each  
12 time objectionable testimony is given, and cites in  
13 support of that request the case of State v.  
14 Douglas, 626 S.E.2d 59.

15 This continuing objection would also apply to  
16 documents and testimony elicited from customers  
17 under examination by the parties or the Commission,  
18 and I would ask that the Commission defer ruling on  
19 the continuing objection until a final order is  
20 issued in this case.

21 **MR. JORDAN:** Thank you. North Greenville will  
22 respond that the public hearing is proper for the  
23 Commission to consider the testimony of the  
24 experiences that the public has had with this  
25 utility, and that testimony should be properly

1           considered. Thank you.

2           **MS. EDWARDS:** Madam Chair, if I may respond,  
3           on behalf of the Office of Regulatory Staff, and in  
4           addressing Mr. Hoefer's remarks, while we don't  
5           oppose the continuing objection process presented  
6           by the company, we do not believe that the  
7           complaint has to be corroborated or substantiated  
8           in any way aside from the customer's testimony. We  
9           believe the testimony the company objects to is  
10          admissible for the purposes of this night hearing.  
11          And we would also like to reserve our right to  
12          respond in writing to the company's bases for its  
13          continuing objection.

14          We would ask of the company that, within a  
15          reasonable time after this night hearing, and after  
16          it has had an opportunity to review the hearing  
17          transcript, that the company submit a letter to the  
18          Commission to be posted on the Commission's  
19          website, setting forth the specific portions of the  
20          testimony the company objects to; specifically,  
21          that the company identify the speaker, the reason  
22          for the objection, and the portion of the  
23          transcript that they object to. This would allow  
24          those who took time from their evening tonight to  
25          know what portion of their testimony is being



1 objected to by the company. We believe this is  
2 fair and reasonable to all the parties. Thank you.

3 **CHAIRMAN FLEMING:** All right. Thank you.  
4 Before we begin -- well, first of all, I'd like to  
5 thank all of you for coming out tonight. It's very  
6 important for us to hear from the customers when a  
7 rate case comes up. So we really appreciate your  
8 being here and will look forward to hearing what  
9 you have to say.

10 Before we begin, also, the company and the  
11 Office of Regulatory Staff have both brought people  
12 here, and as you heard, after the hearing tonight  
13 you can go up to ask them questions. But I would  
14 like to ask Mr. Hoefer to introduce those with him.

15 **MR. HOEFER:** Certainly, Madam Chairman. With  
16 me are Mr. Bruce Haas, regional director of  
17 operations; Mr. Matt Mitchell, area director of  
18 operations; Mr. Larry Chitwood, area manager; and  
19 Ms. Annette Bailey, who is a customer service  
20 liaison.

21 **CHAIRMAN FLEMING:** Thank you. And Ms.  
22 Edwards, who represents the regulatory staff?

23 **MS. EDWARDS:** Thank you. Good evening. With  
24 me is Ms. Dawn Hipp, who is the director of our  
25 Water and Wastewater Department. Thank you.

1                   **CHAIRMAN FLEMING:** Thank you. So you can come  
2                   up to ask them questions afterwards. At this time,  
3                   I'm going to ask Mr. Dong to call the first  
4                   witness.

5                   **MR. DONG:** And if you would, when you come  
6                   forward, as I said before, please state your name  
7                   and address into the record as soon as you're  
8                   sworn.

9                   The first witness I have is Denise Wiseman.

10                  [Witness sworn]

11                  THEREUPON came,

12                               **D E N I S E   W I S E M A N ,**  
13                  who, having been first duly sworn, testified as follows:

14                   **WITNESS:** Denise Wiseman, 405 Killion. I  
15                   don't have a whole lot to say, other than I'm a  
16                   mother of three. My income isn't very high. I'm a  
17                   deli manager at the local grocery store here in  
18                   town, and which puts me in a higher income than the  
19                   majority of my fellow people in my community.

20                   We chose the community because of the lower  
21                   cost of housing costs. And so I'm seeing this from  
22                   my family's point of view, as simple as we never  
23                   paid more than \$80,000 for our house, and when we  
24                   bought it a few years ago, it appreciated at  
25                   150,000 and it has dropped now, just this year

1 alone, it appraised at 80,000. So we have lost  
2 some value to our house, let alone, you know,  
3 putting this as put together, we're kind of stuck  
4 into our community is basically what I'm trying to  
5 say, because of things going down, so moving isn't  
6 something we can even consider right now, even for  
7 our resale value of our house. But all said and  
8 done, with our lower income, lower -- depreciation  
9 that dropped \$9,000 just in this year alone, and  
10 then you take -- our water runs about anywhere from  
11 \$17-\$25 a month, and then our sewage which runs  
12 about \$48, you know, give or take on this cents.  
13 And you're taking that ratio and going to jack up  
14 the prices up to \$77 -- or \$73 a month, it hurts my  
15 family. It has taken away from my cost of living,  
16 which is clothes for my kids, food for on my table.  
17 And my concern is, even if we wanted to sell to get  
18 out of our community and get away from that kind  
19 of, what I call, one-sided situation, we couldn't  
20 sell our house because why would anybody want to  
21 pay \$70-some for just flushing the toilet, whether  
22 it's one person or six people?

23 That's my concern from my point of view in my  
24 home, is, how can we afford this kind of living.  
25 And that's not -- that's just a general question.

1 But outside of that, that's what I'm here for.

2 CHAIRMAN FLEMING: Okay, Ms. Wiseman. Mr.  
3 Hoefer?

4 MR. HOEFER: No questions, Madam Chairman.

5 CHAIRMAN FLEMING: Mr. Jordan.

6 MR. JORDAN: No questions.

7 CHAIRMAN FLEMING: Ms. Edwards.

8 CROSS EXAMINATION

9 BY MS. EDWARDS:

10 Q Just one quick question. Do you have water and sewer  
11 service with United, or just sewer?

12 A No, we just have sewage. And I will state this, too.  
13 This year, my husband had a change in jobs, and we were  
14 -- we ran behind with United Utility. And they wanted  
15 to shut us off and report us in for contamination or --  
16 I'm trying to think, there was a terminology they used  
17 and I really wish I'd brung it down. But they would  
18 have condemned our house to the health department. And  
19 that was hard for my family, to try to -- now, they  
20 worked it with us. We called them, and we were able to  
21 catch up, but, I mean, this is -- we don't have any  
22 other recourse. We have no way to turn it over to  
23 another service, to make it more affordable for our  
24 family. This is a monopoly. I mean, that's what it  
25 feels like to us.

1 MS. EDWARDS: Thank you. No more questions.

2 CHAIRMAN FLEMING: All right. Commissioners?

3 Commissioner Howard.

4 EXAMINATION

5 BY VICE CHAIRMAN HOWARD:

6 Q Ms. Wiseman, who is your water provider?

7 A That would be Draytonville Waterworks.

8 Q What is it?

9 A Draytonville Waterworks.

10 Q Do you mind repeating what you just said about the  
11 turning off of -- I didn't understand what you said.

12 A If we didn't pay, that they would turn our sewage off  
13 and report us in to the health -- Department of Health,  
14 and have our house condemned. That was in that letter.

15 VICE CHAIRMAN HOWARD: Thank you.

16 CHAIRMAN FLEMING: Any other questions?

17 [No response]

18 EXAMINATION

19 BY CHAIRMAN FLEMING:

20 Q Could I ask you, when you received that letter, could  
21 you tell me how far behind you were?

22 A We were about six months behind.

23 Q Six months, okay.

24 A Yes, ma'am.

25 Q And you had received notices before that?

1     **A**     Yes, ma'am, we sure had.

2     **Q**     Okay. But you worked out a payment plan?

3     **A**     We did. We're caught up. It's embarrassing, but it was  
4             just one of the things we weren't able to catch  
5             ourselves --

6                     **CHAIRMAN FLEMING:** I understand, yeah, it's  
7             very unusual times right now. All right, well,  
8             thank you very much.

9                             [WHEREUPON, the witness was excused.]

10                    **MR. DONG:** The next witness is Sandra Grant.

11                             [Witness sworn]

12     THEREUPON came,

13                             **S A N D R A   G R A N T ,**

14     who, having been first duly sworn, testified as follows:

15                    **WITNESS:** I'm Sandra Grant. I live at 231  
16             Killion Drive.

17                    I bought my house in '78. I paid about \$11.25  
18             every two months when I first bought my house, for  
19             my sewage. \$48.24 a month is ridiculous for just  
20             sewage. I'm on disability. I can't work anymore.  
21             I draw a little over \$1,000 a month. My power bill  
22             is \$85 a month, for power. How can my sewage bill  
23             be the same thing, or close to it? It just doesn't  
24             make any sense.

25                    Right now, they are paying a man to come down

1           there every day of the week. He doesn't need to  
2           come every day of the week; they could cut out some  
3           of their expense by just having him come Monday,  
4           Wednesday, and Friday. There's no sense in him  
5           coming every day.

6           They could also see if they could set up some  
7           sort of arrangements with Draytonville Waterworks,  
8           base it on our average of water that we use, would  
9           make a lot more sense. I live alone. I bought my  
10          house; I cannot move. I'm locked into it. Not  
11          able to move. Some of these people are renters  
12          that have 10, 15 people living in a house, and they  
13          pay the same sewage that I pay living by myself. I  
14          wash maybe two loads of clothes a week. It just  
15          does not make sense.

16          Landlords should be responsible for their  
17          houses, not renters. Renters don't care. They'll  
18          live there six months and let them turn their  
19          sewage off, then they'll move out. The landlord  
20          ends up having to pay anyway, so why shouldn't  
21          landlords be responsible for the sewage, and then  
22          it shouldn't get behind like that, because the  
23          landlords are going to take better care. I don't  
24          think they should let a sewage bill get behind --  
25          at almost \$50 a month, when they get six months

1 behind, it's practically impossible to catch up  
2 again. It shouldn't get that far behind before  
3 they start doing something to turn it off or  
4 threatening or whatever they do.

5 That's all I've got to say, is I'm on  
6 disability, and I just cannot imagine having to pay  
7 the same thing for sewage that I'm paying for power  
8 right now.

9 CHAIRMAN FLEMING: Thank you, Ms. Grant. Mr.  
10 Hoefer?

11 MR. HOEFER: Yes, ma'am.

12 CROSS EXAMINATION

13 BY MR. HOEFER:

14 Q Ms. Grant, did you say your address was 231 Killion?

15 A 231 Killion.

16 Q And who is your power provider?

17 A Duke Power.

18 Q Duke Power? Thank you.

19 A Duke Energy.

20 CROSS EXAMINATION

21 BY MR. JORDAN:

22 Q Ms. Grant, you said that every day a man comes to your  
23 neighborhood with United Utility; is that correct? Do  
24 you know what he does there every day?

25 A He goes to both of the sewage plants, is all I know. I



1 don't have any idea. It just takes him a few minutes to  
2 go to each one, and he drives back out.

3 MR. JORDAN: Thank you.

4 MS. EDWARDS: No questions, thank you.

5 CHAIRMAN FLEMING: All right. Commissioners?  
6 Commissioner Howard.

7 EXAMINATION

8 BY VICE CHAIRMAN HOWARD:

9 Q I guess I was under the impression it was collection-  
10 only, but they do have sewer plants?

11 A Yeah, there's two.

12 Q Two sewer plants?

13 A Two.

14 VICE CHAIRMAN HOWARD: Okay. Thank you.

15 CHAIRMAN FLEMING: All right. Any more  
16 questions? Yes, Commissioner Mitchell.

17 EXAMINATION

18 BY COMMISSIONER MITCHELL:

19 Q Yes, ma'am. Have you had any problem with actual supply  
20 of your -- as far as the service for your sewage?

21 A No.

22 Q No problem whatsoever?

23 A No, I --

24 Q It's always been good service?

25 A I live at the top of the hill.

1 COMMISSIONER MITCHELL: Thank you.

2 MR. DONG: Your mike.

3 BY COMMISSIONER MITCHELL:

4 Q You heard my question there --

5 A Yes.

6 Q -- and you didn't have any problem with the service?

7 A I don't have any problems.

8 COMMISSIONER MITCHELL: Thank you.

9 EXAMINATION

10 BY CHAIRMAN FLEMING:

11 Q You were telling us the rate of your power bill, average  
12 rate?

13 A Uh-huh.

14 Q Could you tell us the average rate of your water bill?

15 A \$11.50.

16 Q A month?

17 A Yeah, it's around 2,000 gallons is what I use. In the  
18 summertime it goes up, because I wash my car and water  
19 the plants and everything, but in the wintertime  
20 normally it's around 2,000 gallons, base rate.

21 CHAIRMAN FLEMING: All right, thank you. You  
22 may be seated.

23 [WHEREUPON, the witness was excused.]

24 MR. DONG: Our next witness is Mr. Alvin  
25 Simpson.

[Witness sworn]

THEREUPON came,

**A L V I N   F .   S I M P S O N ,   J R . ,**

who, having been first duly sworn, testified as follows:

**WITNESS:** Alvin F. Simpson. I live at 411 Killion Drive, in Briar Creek Subdivision.

First, I want to thank each and every one of you for coming out. We had to reschedule, and I really appreciated you all coming down and giving us an opportunity to tell our side of the story. I'm here to just represent myself. I'm not representing anybody else. The information I'm going to give you is what I know for myself, not any -- I haven't spoke to anyone else in the community, I haven't given any kind of an opportunity to talk to them because I wanted to make sure that what I gave you was just my information.

Just a quick background on myself, I live -- I've been living in Briar Creek Subdivision since September 2002. I have worked in the water and wastewater field for 18 years. I have 18 years' experience in water and wastewater. I currently work for the Gaffney Board of Public Works here in Gaffney, at the water plant, as a water treatment

1 operator. I also worked part-time for the  
2 Spartanburg Water System at their water plant also.  
3 Unfortunately, because of the economic times, they  
4 have cut out the part-time and I'm no longer  
5 getting that money, and that really hurts.

6 I have an A License Water, A License  
7 Wastewater, South Carolina. I also have a Grade 4,  
8 which is the highest wastewater license, in North  
9 Carolina. I work for a company called American  
10 Water Services. It was a subdivision of American  
11 Water, which is one of the largest water companies  
12 in the United States. It was a subdivision, which  
13 what we did was contract operations. It's very  
14 similar to what United Utility Company is to  
15 United. They are -- according to testimony that I  
16 reviewed, they are a subdivision of United, so I've  
17 kind of worked in the same situation as they do.

18 When I was with American Water, I was a  
19 project manager. I worked my way from operator to  
20 project manager. I oversaw plants from the size of  
21 .1 MGD to 24 MGD. Wastewater was my main job with  
22 American Water; I wasn't in the water side with  
23 them, I was wastewater. When I worked for American  
24 Water, my manager duties, I did everything from  
25 overseeing daily operations, lab, budget

1 preparation, capital improvements, cost analysis,  
2 and I also had to deal with regulatory agencies,  
3 government agencies, and I had to deal with  
4 corporate. I still take my CEU classes for  
5 wastewater. So, I feel that I have some knowledge  
6 in the field of what I'm going to be speaking  
7 about.

8 As I said, I have reviewed the many, many  
9 testimonies of the people from United Utility and  
10 from Regulatory Staff. And I want to just, real  
11 quick, I truly appreciate all the information from  
12 both sides. It has been very informative, the  
13 information that they've sent me in the mail. I  
14 also spoke with my bosses at the Board of Public  
15 Works, and I've talked to people at DHEC and got  
16 information. I wanted to try to be as informed as  
17 I could, so that whenever I spoke, I was speaking  
18 intelligently.

19 The first thing that I will bring up is the  
20 testimony from -- I hope I get these names right --  
21 Pauline Ahern, is that right? Pauline Ahern, Lena  
22 Georgiev, and then --

23 **CHAIRMAN FLEMING:** Just a minute. Mr. Hoefer?

24 **MR. HOEFER:** Madam Chairman, if I could. I  
25 apologize for having to interrupt the witness. The

1 purpose of the night hearings is to allow them to  
2 make statements about their own personal  
3 experiences with the services of the company, not  
4 to rebut testimony given, prefiled, by company  
5 witnesses. So we would have to object, if this is  
6 going to be a point-by-point reason why this  
7 gentleman might disagree with the company's  
8 prefiled testimony in the case.

9 **CHAIRMAN FLEMING:** What is the purpose of what  
10 you're having to say?

11 **WITNESS:** Well, I'll tell you what I -- the  
12 reason I had done it like that was because I wanted  
13 to make sure that whenever I talked, I didn't -- it  
14 didn't sound like I was making things up or  
15 whatever. But I can surely abandon that side of it  
16 and just give you my points.

17 At the wastewater treatment plants that we  
18 have at Briar Creek -- there are two -- they both  
19 are what, in the industry, is called a package  
20 plant. They are very small. The operational cost  
21 is minimal. They are very, very limited on their  
22 cost as far as chemical, power. One of the things  
23 that was mentioned in the testimony, that I won't  
24 go into detail on, but I know it costs money to run  
25 a plant, and I know it costs money, not only the

1           one plant that they have where we are at, but the  
2           many plants that they operate in this State alone.  
3           I know it costs money. But the one advantage that  
4           they have, and they make out like it's almost a  
5           disadvantage, is that they are a subsidiary of  
6           another company.

7           When I worked for American Water, our biggest  
8           advantage was that we had a parent company to which  
9           we could get cheaper prices on equipment, we could  
10          get cheaper prices on all of our chemicals. It was  
11          an opportunity that an operator of a small facility  
12          like what they do, in our neighborhood, it totally  
13          -- it makes their costs even lower, not higher.

14          My biggest concern, and one of the things that  
15          wasn't addressed in any of the testimony, is cost  
16          savings. The company that I work for, the Board of  
17          Public Works, has not raised their rates this year  
18          or last year on sewer, and yet through all the  
19          economic trouble that they have had, they have not  
20          had to make any changes in their rates, because  
21          they have made cost-saving changes in their  
22          operations that make it available for them to not  
23          increase their rates.

24          The biggest concern that I have, and the  
25          people that you've heard talk already, is, our cost

1 in comparison to what other people are paying. If  
2 we were with the Board of Public Works right now,  
3 and I have a copy of their sewer rate and I will be  
4 glad to -- I brought an extra copy if you all want  
5 to have a copy of it. Their sewer rates for what  
6 we would be, a family unit, is, inside the City, is  
7 only \$1.78 per 100 cubic feet. But we are outside  
8 the City, and their rate is \$2.42.

9 Now, I went back and I did an average of my  
10 water bills for the past year, 2009. My average  
11 was 1,829 gallons a month. And just like the lady  
12 said, I pay for Draytonville water. I pay the  
13 minimum. I'm never over the minimum. \$11.50 is  
14 what I pay, because I don't even make their amount  
15 of water that is over their minimum. For that,  
16 that would be 245 cubic feet, and their rate is  
17 based on 100 cubic feet, so my price for a month  
18 would be \$5.92. \$5.92. Now, they have a minimum  
19 charge, and that minimum charge is \$12.75. So,  
20 since I'm not even making their minimum, I would be  
21 paying \$12.75 for the Board of Public Works. I am  
22 currently paying \$48.24. I would say that is a  
23 significant difference.

24 They want to go to \$73.89. Now, just to give  
25 you a comparison, on a daily basis, for the Board



1 of Public Works -- if I was with them and paying  
2 the minimum of \$12.75 -- that would be \$.42 a day.  
3 Currently, I pay \$1.59 a day. With the proposed  
4 rate that they want to charge us, it would go to  
5 \$2.43 a day, for sewer. That is \$886.68 a year,  
6 compared to with the Board, \$153.

7 Now, I was prepared to go through and give you  
8 information based on their testimonies, and I'm not  
9 going to go into that because he feels that's  
10 wrong, so all I can say is that, when you compare  
11 the two prices, you can see the difference is just  
12 astronomical. And I can tell you from a  
13 professional standpoint that there is nothing at  
14 those two facilities or any of the facilities that  
15 I have learned about in these testimonies that  
16 would warrant an increase of that amount.

17 I know they have some capital project for a  
18 digester on the books. Well, I'm going to go ahead  
19 and go into this. They mention in their testimony  
20 and it is noted in their -- at DHEC that they use  
21 Biotech, which is a subsidiary of United Utility --  
22 or, I'm sorry -- United Inc. They pay \$.16 a  
23 gallon for wastewater -- I mean, for their sludge  
24 to be hauled off. That's not counting their  
25 hauling costs. Now, they haul sludge -- let me --

1 according to Yahoo maps -- I'm sorry, I'm trying to  
2 find it.

3 **CHAIRMAN FLEMING:** That's okay, take your  
4 time.

5 **WITNESS:** Okay. According to Yahoo maps, they  
6 haul sludge 125 miles away to a company that they  
7 own. They charge them \$.16 a gallon. According to  
8 the information in here, they charge other  
9 companies \$.11 a gallon. Now, my biggest concern  
10 is that we're paying to haul it 125 miles away; I  
11 would want to know whether there was a place closer  
12 that they could haul it. I know that the Board of  
13 Public Works accepts waste from a lot of different  
14 places, and that's in town. There's a lot of  
15 things that bother me about what I have read and  
16 things I have heard through DHEC and through other  
17 entities that I spoke with, that make me just  
18 concerned that we're paying so much for their  
19 treatment, but yet they could do so much in cost  
20 cutting. And that was not mentioned anywhere. I  
21 never saw in any of the testimony or any of the  
22 people that I have talked to that said anything  
23 about a cost savings. That would be my biggest  
24 concern.

25 I know for a fact that the companies that I

1 work for, for both companies, Spartanburg Water and  
2 Gaffney, they have made so many changes and have  
3 put so much effort into cost savings, so that  
4 during these times whenever the economics are so  
5 bad, that they would not have to raise their rates.  
6 I just want to make sure that the company that I am  
7 paying \$48.24 to is doing the same, before I pay  
8 \$70.

9 As far as I know, that's all I have to say.  
10 I'm ready for questions.

11 **CHAIRMAN FLEMING:** Okay. Mr. Hoefer?

12 **MR. HOEFER:** Thank you, Madam Chairman.

13 **CROSS EXAMINATION**

14 **BY MR. HOEFER:**

15 **Q** Mr. Simpson, I think you've testified that the Board of  
16 Public Works has not raised their wastewater rates?

17 **A** They did not this year, no, sir.

18 **Q** When was the last time they did that?

19 **A** I want to say three years ago. I think. I cannot say  
20 for sure.

21 **MR. HOEFER:** May I approach the witness, Madam  
22 Chairman?

23 **CHAIRMAN FLEMING:** Yes, you may.

24 **BY MR. HOEFER:**

25 **Q** [Indicating.]

1 A [Indicating.] Is there a specific thing you want me to  
2 look at?

3 Q Yes, sir, I'll get to it in a second. Mr. Simpson, if I  
4 could ask you to turn to page eight -- well, first let  
5 me ask you, can you identify that document I just handed  
6 to you?

7 A It says "Board of Public Works Comprehensive Annual  
8 Financial Report for the Fiscal Year Ending March 31st."

9 Q Have you ever seen that document?

10 A No, I have not.

11 Q Okay. You work for the Board of Public Works?

12 A Yes, sir.

13 Q And you're not familiar with that document?

14 A No, sir, I have not seen this document.

15 Q So, let me ask you if you would please turn to page  
16 eight?

17 A Okay.

18 Q You see the heading "Currently Known Facts and  
19 Decisions"?

20 A Yeah, "Currently Known Facts and Decision," yes, sir.

21 Q If you would, please read the first sentence under that.

22 A "Effective April 1, 2009, the Board implemented rate  
23 increases of 5 percent for electric, water, and  
24 wastewater services."

25 Q Okay. Now if you would, please turn to page 11 of that

1 document.

2 A Okay.

3 Q In the upper right-hand corner, it should say "Exhibit  
4 B"?

5 A Yes sir.

6 Q Okay. If you would look in that left-hand column under  
7 the heading "2009," can you tell me what the operating  
8 revenues for the Gaffney Board of Public Works Sewer  
9 Department were for 2009?

10 A For just for sewer?

11 Q Yes, sir, Sewer Department?

12 A It says 4899129, or \$4,899,129.

13 Q If you would go further down in that column, and read  
14 for me what are the operating expenses of the Sewer  
15 Department? Same page.

16 A Yeah, I know. Two million -- is that -- \$2,654,925.

17 Q Okay. Is that "925" or "926"?

18 A "926." I'm sorry, I didn't bring my glasses. Sorry.

19 Q If you would also please turn to page 17, if you would.

20 A All right.

21 Q Okay. Would you please read -- it says, "Do you have an  
22 ongoing summary of significant accounting policies"?

23 A Okay, yeah, I've got it.

24 Q Would you go to the second paragraph with the heading  
25 "capital contributions"?

1     **A**     Yes.

2     **Q**     Would you read that paragraph for me?

3     **A**     "The Board frequently has contributions to its sewer and  
4             water system from developers and contractors. In  
5             addition, the Board receives grant monies and  
6             construction of improvements or extensions to its system  
7             at various times. These contributions are recognized in  
8             the statement of revenues, expenses, and charges, and  
9             the net assets when earned."

10    **Q**     Let me ask you to read that second sentence again,  
11             because I think it got cut off, the sentence that begins  
12             "In addition..."

13    **A**     "In addition, the Board receives grant monies for  
14             construction of improvements or extensions to its system  
15             at various times."

16                     **MR. HOEFER:** Thank you. May I approach the  
17                     witness again, Madam Chairman?

18                     **CHAIRMAN FLEMING:** Yes.

19    **BY MR. HOEFER:**

20    **Q**     [Indicating.]

21    **A**     [Indicating.] Yes sir.

22    **Q**     Mr. Simpson, you mentioned something to the  
23             Commissioners about the per-gallon rate for sludge  
24             hauled by Biotech. Do you recall that in your  
25             testimony?

1     **A**     Yes, I do.

2     **Q**     And I think you said there was a charge of \$.16 per  
3             gallon?

4     **A**     I believe that's correct.

5     **Q**     If that per-gallon rate included transportation, would  
6             that be a reasonable expense, in your opinion?

7     **A**     Well, to be honest, I don't know why they're paying on a  
8             per-gallon rate. You're losing a lot of money paying on  
9             a per-gallon rate. You should be paying on a dry-ton  
10            rate. But \$.16 is -- to be honest, I wouldn't know if  
11            that's a good rate for this industry or not, at this  
12            time.

13    **Q**     Okay.

14    **A**     I know that you're only charging -- that the company's  
15             only charging \$.11 to other customers.

16    **Q**     And if, in fact, the sludge was being hauled to  
17             Charlotte-Mecklenburg Utility District for disposal,  
18             would that be more reasonable, in your view, than  
19             hauling it to Columbia from here?

20    **A**     I wouldn't know, because I haven't priced anything in  
21             that direction on the mileage.

22    **Q**     Well, let's talk about the transportation component of  
23             it. Do you think it would be cheaper to haul it to  
24             Charlotte or Columbia, from here?

25    **A**     Just off the top of my head, I wouldn't know --

1 Q Okay.

2 A -- because I don't know the mileage.

3 MR. HOEFER: Okay. Thank you, sir. No more  
4 questions, Madam Chair.

5 CHAIRMAN FLEMING: All right. Mr. Jordan?

6 CROSS EXAMINATION

7 BY MR. JORDAN:

8 Q Mr. Simpson, I think you mentioned that you were working  
9 part-time for Spartanburg; is that correct?

10 A I worked for their water, yes, sir. I worked at their  
11 water facility.

12 Q And that position was recently taken away?

13 A Yes, sir. They've done budget cuts and they have cut  
14 out the part-time. That's what I was, was part-time.  
15 They have also made a lot of other changes. They have  
16 actually shut down one of their facilities to save  
17 money, and they have reduced staff.

18 Q And has --

19 A As Gaffney Board of Public Works has also reduced staff.

20 Q Okay, and has that changed your current income?

21 A Significantly. Last year, just as an example, whenever  
22 I filed my taxes in 2008 and when I filed them in 2009,  
23 I had a \$9,000 decrease in my total revenue, income.

24 Q And what impact on you, personally, do you see the  
25 proposed rate increase having financially?



1     **A**     What do I see, personally? Well, I already -- I'm  
2             single, just as the other lady spoke. I'm the only  
3             person in the house. I have no other income coming in,  
4             and since I have been reduced to, you know, out of my  
5             part-time job, I'm still seeking one, because I do need  
6             the money. I would have to lower my standard of living  
7             significantly if this rate goes in, because of the fact  
8             that it's not only money going out but I don't have the  
9             extra money coming in.

10                     **MR. JORDAN:** Thank you, sir.

11                     **CHAIRMAN FLEMING:** Ms. Edwards?

12                                     **CROSS EXAMINATION**

13     **BY MS. EDWARDS:**

14     **Q**     Mr. Simpson, have you had any quality-of-service issues  
15             with United Utility?

16     **A**     The only -- I have not had a wastewater problem. A  
17             billing problem that was addressed the last time they  
18             had to do a rate change, or requested a rate change --  
19             I'm sorry -- I had a billing problem where they were  
20             billing me too much for my sewer, and then they sent me  
21             a letter stating that they had overcharged me and they  
22             refunded me like \$12 or something like that. But other  
23             than that, I have not personally had any problem with  
24             their service.

25     **Q**     And for this past year, 2009, have you received your

1 bills in a timely manner?

2 **A** Yes. Yes, I have.

3 **MS. EDWARDS:** Thank you. No questions.

4 **CHAIRMAN FLEMING:** All right. Commissioners.

5 [No response]

6 **CHAIRMAN FLEMING:** Mr. Simpson, you said you  
7 had a water rate that you wanted to -- do you want  
8 to enter that into the evidence of the case?

9 **WITNESS:** Well, I mean, it's the current  
10 charges that they have, and it's listed on -- I  
11 mean, he made me read the statement there. This is  
12 a schedule as users, as of 4/1/09. So, this is the  
13 rates that they are currently charging, this is not  
14 anything -- this is the actual rate that I would be  
15 paying right now, because I spoke with the manager  
16 of the Board.

17 **CHAIRMAN FLEMING:** That includes that 5  
18 percent?

19 **WITNESS:** Yes, ma'am.

20 **CHAIRMAN FLEMING:** Would you like to enter  
21 that into the evidence of the case?

22 **WITNESS:** Yes, ma'am, sure.

23 **CHAIRMAN FLEMING:** All right. That will be  
24 entered into the evidence of the case as Hearing  
25 Exhibit No. 16.

1 [WHEREUPON, Hearing Exhibit No. 16 was  
2 marked and received in evidence.]

3 WITNESS: I have another copy, if you want  
4 more -- [indicating].

5 MR. HOEFER: [Indicating.] Thank you, sir.

6 EXAMINATION

7 BY CHAIRMAN FLEMING:

8 Q And I wanted to ask you -- you said that the Board of  
9 Public Works will accept the sludge?

10 A What I -- I do not know. I have not talked to them  
11 about that particular thing. The point that I was  
12 trying to make was, is I didn't know -- there's no  
13 information as to whether they have or have not tried to  
14 reduce any costs. He brought up going to Charlotte. I  
15 don't know that there's not someplace closer that would  
16 be able to receive that sludge. The small plants that  
17 we have, they're not producing that much sludge. I  
18 mean, I can tell you from operating facilities very much  
19 like what they have here, that the sludge production is  
20 very low. They want a digester, which I feel the pain  
21 of the operator. I requested a lot of things whenever I  
22 was with American Water, and sludge hauling and sludge  
23 handling is one of the biggest concerns. That was one  
24 of the things I was going to go into in my testimony,  
25 but they didn't want me to talk about their testimony.

1 But if they had a local hauling facility, they would not  
2 need that sludge digester.

3 And I want to make sure that I say this. Being an  
4 operator, I know the concerns that the operators of  
5 those facilities have, and I know that it costs money to  
6 operate them, and I know it takes time. But the biggest  
7 concern is, is it best business practices being  
8 examined, is my biggest concern.

9 **Q** Okay. So you don't know whether they accept sledge --

10 **A** I know that they do take from septic haulers, which is a  
11 different product from sludge, but with the small amount  
12 that they would be bringing in, I know a facility that  
13 we ran in North Carolina, I took in all the sludge from  
14 these small plants like what they have, I could take  
15 because it actually helps their facility because it  
16 brings in seed from the other plants.

17 **CHAIRMAN FLEMING:** All right. Thank you. You  
18 may be seated.

19 **WITNESS:** Thank you.

20 [WHEREUPON, the witness was excused.]

21 **CHAIRMAN FLEMING:** If you'll call our next  
22 witness.

23 **MR. DONG:** Ivy Morris.

24 [Witness sworn]

25 <

1 THEREUPON came,

2 I V Y M O R R I S ,

3 who, having been first duly sworn, testified as follows:

4 WITNESS: My name is Ivy Morris, I live at  
5 107 Saddle Drive. And I'm up here being concerned  
6 because when I first moved down there, which is  
7 about maybe 12, 13 years ago, I was paying \$28,  
8 maybe some cents with it. Okay, it went from \$28  
9 to \$48.24. That's a big increase by itself. And  
10 then, I'm unemployed. I'm a single person. And no  
11 matter how many people live in the house, you still  
12 pay what everybody else pay. And then, our water  
13 bill is separate from the sewage bill. It would be  
14 different if it was combined together and they was  
15 giving these prices, but it's ridiculous to be  
16 paying \$48.24 a month for sewage. It just don't  
17 make sense. I don't see how in the world they  
18 expect us to pay that amount of money when these  
19 economic times are bad for everybody. Not just for  
20 one person, but it's hurting everybody. And I'd  
21 like to know, why the increase?

22 CHAIRMAN FLEMING: Afterwards you can go up  
23 and talk to Mr. Hoefer about those reasons, after  
24 the hearing tonight. But if you have finished, Mr.  
25 Hoefer, do you have any questions?

1 MR. HOEFER: No questions, Madam Chairman.

2 CHAIRMAN FLEMING: All right.

3 MR. JORDAN: No questions.

4 CHAIRMAN FLEMING: All right. Ms. Edwards?

5 MS. EDWARDS: No questions.

6 CHAIRMAN FLEMING: All right. Commissioners?

7 [No response]

8 EXAMINATION

9 BY CHAIRMAN FLEMING:

10 Q Are you also on the -- what's the water that you're on?

11 A I'm on Lowry Utilities.

12 Q All right. The same as everybody else?

13 A Yes.

14 Q Okay. And you pay \$12 or that minimum rate? \$11.50, I  
15 believe?

16 A Well, it depends. It depends.

17 CHAIRMAN FLEMING: Okay. All right, if there  
18 are no questions from the Commissioners, you may  
19 step down. Thank you.

20 [WHEREUPON, the witness was excused.]

21 MR. DONG: I inadvertently skipped Ron Alford.  
22 My apologies, sir.

23 [Witness sworn]

24 <

25 <

1 THEREUPON came,

2 R O N A L F O R D ,

3 who, having been first duly sworn, testified as follows:

4 WITNESS: My name is Ron Alford. I live at  
5 309 Killion Drive.

6 Main reason I'm here, I'm just concerned about  
7 the increase in rates. I don't understand why.  
8 And just like everyone, concerned about the economy  
9 and the way we have to live.

10 I also have a question about my bill,  
11 personally. The last three months my bill has gone  
12 up from \$48 to \$87. No questions asked, the bill  
13 just came, and for a couple months we paid the  
14 bill. Then I started looking at it, and I'm being  
15 charged for a service address in Sumter, South  
16 Carolina. I'm paying somebody else's bill, too.

17 I called two weeks ago and I gave them a week,  
18 no response. I called back and they're still  
19 trying to -- they don't -- they can't give me an  
20 answer why my information has been given out and  
21 somebody else is getting service under my name, and  
22 I'm paying for both of them. They can't tell me  
23 why -- where my money is going, if my money is  
24 going on my bill or if it's going on that bill or  
25 where it's going.

1                   And they act like -- they said they don't  
2                   understand why -- they asked me why did I open up  
3                   another account in Sumter. You know, that made no  
4                   sense at all. So I'm concerned about that, and I'm  
5                   getting no response for that. And not knowing, I  
6                   took for granted they increased our rate without  
7                   any questions asked and I had to pay the bill, so  
8                   I've been paying a double bill for three months  
9                   now, and they still don't -- can't give me an  
10                  answer why this has happened.

11                 And like the other lady, my concern is -- I  
12                 know we won't get an answer now, but why the rate's  
13                 going up. I don't understand why the rates have to  
14                 go up, at all. When we moved there, it was about  
15                 \$10, \$11 -- less than \$14 a month for the sewage.  
16                 That was, you know, years ago. But I still don't  
17                 understand why the rates have to go up that much,  
18                 and even going up higher again. That's just what I  
19                 had to say. I'm concerned about my bill and if I  
20                 can get it straightened out.

21                 **CHAIRMAN FLEMING:** You have copies of those  
22                 bills?

23                 **WITNESS:** I've got a copy of the last one, my  
24                 last bill, yeah.

25                 **CHAIRMAN FLEMING:** All right.



1                   **WITNESS:** I've got a service address. The  
2                   service address is on the -- Seminole Road, Sumter,  
3                   South Carolina. That's where it's being charged.

4                   **CHAIRMAN FLEMING:** Would you like to enter  
5                   that bill into evidence?

6                   **WITNESS:** Yeah. Well, I need a copy. You  
7                   know, I can make a copy and give to you, yeah.  
8                   That's another one of my questions, I can't get an  
9                   answer why my bill is -- why I'm paying two bills.

10                  **CHAIRMAN FLEMING:** Mr. Hoefer?

11                  **MR. HOEFER:** We'd be glad to provide a copy of  
12                  his bill, if he would just give us --

13                  **WITNESS:** I've got a copy of the bill.

14                  **MR. HOEFER:** Well, I didn't want you to have  
15                  to give them your bill.

16                  **WITNESS:** Okay. Okay. Great, yeah.

17                  **CHAIRMAN FLEMING:** Well, why don't we have --  
18                  we'll have a late-filed exhibit of that. It will  
19                  be Hearing Exhibit 17 that we'll enter into the  
20                  evidence of the case, and we'll decide where the  
21                  bill is coming from. If you can come up and talk  
22                  with Ms. Wheat after, she's the lady with the --  
23                  right there, taking notes. So if you can come up,  
24                  we can resolve how we will do that. That would be  
25                  great.

1                   **WITNESS:** Okay. One of my --

2                   **CHAIRMAN FLEMING:** For the -- do you have the  
3 last three months?

4                   **WITNESS:** Well, I have the last bill. The  
5 last bill they sent me, yeah.

6                   **CHAIRMAN FLEMING:** Okay. You don't have your  
7 last three bills?

8                   **WITNESS:** Well, I didn't bring the other two.  
9 I just brought the current.

10                  **CHAIRMAN FLEMING:** Okay.

11                  **WITNESS:** But one of my questions is, I don't  
12 understand -- the speaking is about raising the  
13 rates, right? Is that what it's about? Okay.  
14 Now, who's going to make that decision?

15                  **CHAIRMAN FLEMING:** Well, there will be a  
16 hearing -- as Mr. Dong told you earlier, there will  
17 be a hearing in Columbia.

18                  **WITNESS:** So we're not allowed to go to that?

19                  **CHAIRMAN FLEMING:** Oh, sure.

20                  **WITNESS:** We are? We can't speak?

21                  **MR. DONG:** Mr. Alford, you'll be welcome to  
22 come to the hearing. What will happen is, you'll  
23 hear -- the Commission will hear evidence from both  
24 the company witnesses and from witnesses from the  
25 Office of Regulatory Staff, Ms. Edwards' staff.

1 And they will have accountants, auditors,  
2 engineers, folks who have looked at all of the  
3 expenses and things, and determined whether the  
4 rate is fair and reasonable, in their view. And  
5 the Commission will make that decision. And that  
6 will happen in -- that will happen at the hearing  
7 in March.

8 **WITNESS:** Oh, you mean, based on their  
9 decision, the rate will go up?

10 **MR. DONG:** Sir?

11 **WITNESS:** Based on their decisions, the rate  
12 will go up?

13 **MR. DONG:** Well, the Commission will make the  
14 final decision as to whether or not -- whether or  
15 not the rate will be granted. The Commission will  
16 hear evidence from the company's witnesses and the  
17 witnesses from the Office of Regulatory Staff, and  
18 will also hear testimony from other members of the  
19 public, like you, and from the intervenors.

20 **WITNESS:** Okay, thank you.

21 **CHAIRMAN FLEMING:** All right. Mr. Alford --  
22 Mr. Hoefer, did do you have any questions?

23 **MR. HOEFER:** No questions, Madam Chairman, but  
24 we will make a copy of the bill available.

25 **CHAIRMAN FLEMING:** For the last three months?

1                   **MR. HOEFER:** Yes, ma'am, for the last three  
2                   months.

3                   **CHAIRMAN FLEMING:** All right. Mr. Jordan.

4                   **MR. JORDAN:** No questions.

5                   **CHAIRMAN FLEMING:** Ms. Edwards.

6                   **MS. EDWARDS:** If I may.

7                                   **CROSS EXAMINATION**

8                   **BY MS. EDWARDS:**

9                   **Q**    I know we're going to be getting a copy of the last  
10                   three months of your bills -- can you hear me?

11                   **A**    Yeah.

12                   **Q**    Can I look real quickly at your bill, and look at the  
13                   address?

14                   **A**    [Indicating.]

15                   **Q**    [Indicating.] So, let's see, how -- can you spell your  
16                   -- you might want to go back to the microphone, so that  
17                   the court reporter can pick it up. But can you spell  
18                   your name?

19                   **A**    My name is A-l-f-o-r-d. The bill is in my -- Glenda, my  
20                   -- Glenda's name. Glenda Paris.

21                   **Q**    All right. And, but your name is --

22                   **A**    Ron Alford.

23                   **Q**    And that's spelled A- --

24                   **A**    A-l-f-o-r-d.

25                   **Q**    Okay. And are you -- prior to the last three months,

1           were you receiving a bill in your name?

2   **A**     No, it's in Glenda's name, the lady that -- the  
3           homeowner.

4   **Q**     And that's at your location at --

5   **A**     Yeah, Glenda Paris --

6   **Q**     -- 309 --

7   **A**     -- 309 Killion Drive.

8   **Q**     Okay. All right.

9   **A**     That bill is to Glen A. Paris. Her name is Glenda O.  
10           That's a Glen A., that sounds like a man's name.

11   **Q**     Oh, okay. All right.

12   **A**     I don't see how they could open up a service in another  
13           city, you know.

14   **Q**     Mr. Alford, if you have time after you talk to Ms. Jo  
15           Wheat, if you wouldn't mind coming and seeing Ms. Hipp  
16           and myself afterwards.

17   **A**     Okay, great. All right.

18   **Q**     Thank you.

19   **A**     Thank you.

20                   **CHAIRMAN FLEMING:** Just a minute.

21                   **WITNESS:** Okay.

22                   **CHAIRMAN FLEMING:** Commissioners?  
23           Commissioner Mitchell.

24   <

25   <

**EXAMINATION****BY COMMISSIONER MITCHELL:**

**Q** Yes, sir. As I understand it, you had three straight months of --

**A** Increase. Doubled.

**Q** Yes, sir, but three straight months of miscommunication with your bill; is that correct?

**A** Yeah.

**Q** The first month that you had miscommunication with your bill --

**A** First month, we just got the bill, we just paid it because we thought the rate had been increased.

**Q** At what time did you respond to the company?

**A** It's been two and a half, three weeks ago.

**Q** So you waited --

**A** We waited, you know, because we was supposed to have a meeting and it was canceled, and then this was rescheduled. We thought we'd get it straightened out then and find out why, you know, we had the rate increase. But come to find out it wasn't increased because of the increase of the company; it was increased because it's a double bill, paying two bills.

**Q** But once again, to clarify, you didn't notify the company until two or three weeks ago; is that correct?

**A** Right.

1 Q Okay, that's all I have.

2 A Yeah.

3 Q Thank you.

4 A Because we was under the impression that the rate just  
5 automatically increased.

6 COMMISSIONER MITCHELL: Yes, sir. Thank you.

7 CHAIRMAN FLEMING: Commissioner Whitfield.

8 COMMISSIONER WHITFIELD: Thank you, Madam  
9 Chairman.

10 EXAMINATION

11 BY COMMISSIONER WHITFIELD:

12 Q Mr. Alford, other than the billing problem that you  
13 experienced for three months, have you had any service  
14 issues?

15 A No problems. No.

16 Q Have you had any service problems?

17 A No problems with service, no. Just this. This is the  
18 only problem we've had with them.

19 Q Thank you, sir.

20 A All right.

21 CHAIRMAN FLEMING: Commissioners? All right.  
22 Mr. Hoefer.

23 MR. HOEFER: Madam Chairman, if I might.

24 <

25 <

**CROSS EXAMINATION****BY MR. HOEFER:**

**Q** Mr. Alford, just so I can get this exactly straight in my mind, you're not a customer on -- your name is not on the account?

**A** No.

**Q** Okay. And the person whose name is on the account that serves where you live is Glenda Paris?

**A** Right.

**Q** And the bill that you received is addressed to Glen Paris?

**A** It's addressed to a Glen A. Paris.

**Q** In Sumter, South Carolina?

**A** Sumter, South Carolina, is the service address.

**Q** Okay. Do you know whether a bill has been sent to Ms. Paris --

**A** Yes.

**Q** -- separate -- no, a separate bill in her name?

**A** No.

**Q** Okay.

**A** As far as I know, no.

**MR. HOEFER:** Okay, thank you. We'll get copies of the bills submitted to the Commission.

**WITNESS:** Yeah.

<



**EXAMINATION****BY CHAIRMAN FLEMING:**

**Q** Mr. Paris -- I'm sorry. Mr. Alford, the bill is in Ms. Paris's name?

**A** Right.

**Q** But you contacted them about -- you contacted the company about three weeks ago, concerning this bill.

**A** Yeah.

**Q** Now, could you reiterate again the conversations that you had with them?

**A** Well, the first conversation, they didn't have any idea what was going on. I asked them why the bill -- why our rate had doubled. And then after I started looking at it, I found out that we -- the lady said we were paying at a service for an address in Sumter, South Carolina, plus mine, plus our bill. That's why it was double. It was \$48.87 on this bill.

**Q** And --

**A** But I asked her where was my money going. You know, according to her, this bill has been paying by automatic draft deduction, and I asked her where is my money going, then, for my bill, and she said she couldn't explain that because she didn't know.

**Q** So she recognized the fact that you lived in Gaffney, not Sumter?

1    **A**    Right, yeah.  We've been getting --  
2    **Q**    And she recognized --  
3    **A**    -- this bill for 20-some --  
4    **Q**    -- the fact that that was an increase over your past  
5           bills?  
6    **A**    Right, uh-huh.  
7    **Q**    But no restitution has been made?  
8    **A**    No.  
9    **Q**    No offer of making restitution?  
10   **A**    They just said they'd get back with me, because they  
11           don't know what happened.  That's all they could tell  
12           me.  
13   **Q**    And they have not gotten back to you --  
14   **A**    No.  
15   **Q**    -- in three weeks' time?  
16   **A**    They hadn't got back to me in -- this last time it's  
17           been going on a week.  
18   **Q**    So you've called --  
19   **A**    I called them twice.  
20   **Q**    You called twice, and --  
21   **A**    Yeah.  
22   **Q**    -- and you still have not gotten any --  
23   **A**    Response.  
24   **Q**    Even though they understand --  
25   **A**    Yeah.

1 Q -- you live in Gaffney?

2 A Right, yeah.

3 Q And it's Ms. Glenda Paris.

4 A Right. Different name, different address.

5 Q All right.

6 A Yeah.

7 Q And that's been three months. Thank you.

8 A All right, thank you.

9 CHAIRMAN FLEMING: Ms. Edwards. Sorry.

10 You're a popular guy tonight. Maybe you'll get  
11 your bill straightened out.

12 [Laughter]

13 WITNESS: Hope so. Yeah, I hope you reimburse  
14 for those two, three months.

15 CHAIRMAN FLEMING: Well, I would imagine  
16 things will be corrected.

17 RECROSS EXAMINATION

18 BY MS. EDWARDS:

19 Q Just a few follow-up questions. First off, how long  
20 have you lived at the address at --

21 A I've been there about 14 years.

22 Q Okay.

23 A Glenda's been there about 20-some years.

24 Q Okay. But the account has always --

25 A In her name.

1 Q At 309 Killion has always been in --

2 A Glenda's name.

3 Q -- Glenda Paris's name.

4 A Yeah.

5 Q Okay. And does she normally get the bill in the mail?

6 A Yeah, uh-huh.

7 Q And one last question. You mentioned several times that  
8 you made some phone calls to the company.

9 A Yeah.

10 Q Have you had any problems being routed to a customer  
11 service representative?

12 A Well, I talked to the customer service rep. as far as --  
13 I asked to speak to their immediate supervisor or their  
14 district manager, and they -- it wasn't available to  
15 talk.

16 Q All right. Thank you, very much.

17 A Okay, thank you.

18 [WHEREUPON, the witness was excused.]

19 CHAIRMAN FLEMING: All right. If you'll call  
20 our next witness.

21 MR. DONG: I have the next two witnesses,  
22 Betty Lipscomb and Kenneth Lipscomb. I don't know  
23 if one or both of you want to speak?

24 CHAIRMAN FLEMING: Do you all mind if we take  
25 you one at a time?

1 MS. LIPSCOMB: Oh, that's fine.

2 CHAIRMAN FLEMING: I know that he called both  
3 names, but Ms. Wheat asked for one at a time.

4 [Witness sworn]

5 THEREUPON came,

6 K E N N E T H L I P S C O M B ,  
7 who, having been first duly sworn, testified as follows:

8 WITNESS: Kenneth Lipscomb. 1540 Wilkinsville  
9 Highway.

10 For the last -- I been living there 15 years,  
11 and like the lady and a lot of these people in here  
12 said, from the year I started there when I moved  
13 there, to now, I don't see much they're doing back  
14 there. They increase our -- they keep increasing  
15 this. And in last couple years -- well, last -- in  
16 2008, I lost -- I got laid off my job. Now I'm the  
17 only income that my family have. We're talking  
18 four girls and a granddaughter, and me and my wife.  
19 I got to provide for them, and this increase ain't  
20 doing nothing but cutting into their food or in  
21 their schooling, because I can't afford a \$73  
22 utility -- I mean, sewage bill. I'm paying \$200-  
23 and-some light bill and a \$34 water bill.

24 And the job that I have now is temp. It's not  
25 full-time, but I thank God that I have that job to

1 put food on my table for my children. And if you  
2 all increase this, that's just taking money out my  
3 pocket for something I don't -- I don't know what  
4 more you all are doing back there, because it's  
5 right behind my house. And as much as I've seen  
6 y'all do back there is put gravel down. That's it.  
7 And I don't see where the increase is coming from.  
8 You haven't done no more than you done 15 years ago  
9 than you're doing now, from what I'm seeing.

10 And like I say, I'm the only provider right  
11 now, besides God and my wife, that provide for my  
12 children. And when you start taking money from  
13 them, then, yes, I'm going to get up here and say  
14 something. And that's all I got to say.

15 **CHAIRMAN FLEMING:** Okay, thank you. Mr.  
16 Hoefer?

17 **MR. HOEFER:** No questions, Madam Chair.

18 **CHAIRMAN FLEMING:** Mr. Jordan?

19 **MR. JORDAN:** No questions.

20 **CHAIRMAN FLEMING:** Ms. Edwards?

21 **MS. EDWARDS:** No questions.

22 **CHAIRMAN FLEMING:** Commissioners?

23 [No response]

24 **CHAIRMAN FLEMING:** No questions, all right.  
25 Thank you, very much.

1 [WHEREUPON, the witness was excused.]

2 CHAIRMAN FLEMING: Ms. Lipscomb?

3 [Witness sworn]

4 THEREUPON came,

5 B E T T Y A N N L I P S C O M B ,

6 who, having been first duly sworn, testified as follows:

7 WITNESS: I'm Betty Lipscomb, and I stay at  
8 1540 Wilkinsville Highway.

9 And on behalf of everybody else -- I can't  
10 talk for everybody else, but just for my family, I  
11 had five children but one moved out. I have four  
12 childrens and a grandchild. And like my husband  
13 just said, he's the only income that come in, and  
14 that's not including paying reduced lunch, ripping  
15 and running, taking them to school, picking them up  
16 from school. And yes, I do get behind on my sewage  
17 bill at times, but I stay right behind the sewage  
18 plant and I'm pretty much out in the yard feeding  
19 my dogs and I look back there, I might see them  
20 back there about three days a week, cleaning. And  
21 like my husband just said about the gravel, they  
22 put down gravel. And \$48 every month, that is  
23 pretty steep. And when I don't have -- when it  
24 come down to my children, I put them first, and  
25 I'll let it go three months and then I play catch-

1 up.

2 And you know, all this right here, the \$72  
3 every month, and then my light bill running \$270-  
4 some back in January, and then you have to get out  
5 here and ask for help. And, you know, I done got  
6 laid off working on my job for 15 years, and the  
7 way the economy is going and then they're asking  
8 \$72, \$73 a month? That's a big jump when you've  
9 got five or seven, eight people in the house. Then  
10 I got rental peoples -- you got rental peoples,  
11 they're scraping too. They're paying more than we  
12 paying, buying homes, and they're struggling too,  
13 so mostly, the majority, all the houses going to be  
14 empty pretty soon, and who they got to make the  
15 money off of? Nobody. They really don't.

16 I'm just -- my main concern is the \$73 every  
17 month is getting -- it's ridiculous. And it's hard  
18 right about now. I'm not in your all's shoes, and  
19 y'all not in my shoes. And I'm not trying to be up  
20 here to get no pity, but mostly, majority, like my  
21 neighbor, he stays by hisself. I have to check on  
22 him just about every day. And he stay by hisself,  
23 and he's paying the same thing. I got more people  
24 in my house, and his water bill run like \$11; mine  
25 runs like \$35 and \$43 because the more people in my



1 house and I wash clothes just about every two days.  
2 And I have to check on him, and he complained that  
3 -- he's not here right now, because he have medical  
4 problems and stuff, but he complains about his  
5 sewage and it's just him in the house, just one  
6 person, which I understand that, and you have more  
7 people in a house, and which I understand that,  
8 too. But it's ridiculous the way the sewage is  
9 going up. That's all I have to say.

10 CHAIRMAN FLEMING: Okay. Ms. Lipscomb, just a  
11 minute. Mr. Hoefer?

12 MR. HOEFER: No questions, Madam Chairman.

13 CHAIRMAN FLEMING: Mr. Jordan?

14 MR. JORDAN: No questions.

15 CHAIRMAN FLEMING: Ms. Edwards?

16 MS. EDWARDS: No questions.

17 CHAIRMAN FLEMING: All right. Commissioners?  
18 Yes, Commissioner Whitfield.

19 COMMISSIONER WHITFIELD: Thank you.

20 EXAMINATION

21 BY COMMISSIONER WHITFIELD:

22 Q Your husband mentioned your water bill. Who's your  
23 water service with?

24 A Draytonville Waterworks.

25 COMMISSIONER WHITFIELD: Draytonville. Okay.

1 Thank you, Madam Chairman.

2 CHAIRMAN FLEMING: All right.

3 EXAMINATION

4 BY CHAIRMAN FLEMING:

5 Q Have you had any trouble with your billing? Does it  
6 come on a regular schedule?

7 A No, ma'am, I don't have no problem. It comes a regular  
8 schedule. I just have a problem by us getting laid off  
9 and then trying to work in between, get these little  
10 part-time jobs and whatever they give us, because the  
11 way the economy has got, it's getting it in there, but I  
12 get it there but my children come first.

13 Q So you work with the company to work out a payment plan?

14 A Yes, I work with them. Right now everything is settled.  
15 But it's still hard. It's still hard. And \$72 really  
16 don't cut it. See, I have four children in the house.  
17 It really don't cut it. And then putting food on the  
18 table, and you buying \$120 worth of food, that's good.  
19 That's cutting it. It really is.

20 CHAIRMAN FLEMING: Okay. Thank you.

21 [WHEREUPON, the witness was excused.]

22 MR. DONG: We've reached the end of the list  
23 of folks who have signed up. Is there anyone else  
24 who has testimony?

25 [No response]

1                   **MR. DONG:** Okay. Well, seeing none, I'd like  
2                   to remind you all that the merits hearing in this  
3                   case will begin on Tuesday, March 23, 2010, at  
4                   10:30 a.m. at the offices of the Commission in  
5                   Columbia.

6                   **CHAIRMAN FLEMING:** All right. Well, we  
7                   appreciate all of you coming out tonight, and those  
8                   of you who spoke. We certainly would appreciate  
9                   any one of you who can come to the hearing, we  
10                  would appreciate that. If you did speak tonight,  
11                  though, you would not be able to speak at the  
12                  hearing. If you didn't speak tonight, you would be  
13                  offered an opportunity to speak in Columbia.

14                  And if any of you have questions, please come  
15                  up here and speak to the group. And I know Mr.  
16                  Alford will be one that will be coming up here.  
17                  Any of the rest of you, like what the rate increase  
18                  is for, or whatever, please come up and speak to  
19                  the group.

20                  Thank you, very much, for being here this  
21                  evening. This hearing is adjourned.

22                               [WHEREUPON, at 7:15 p.m., the hearing in  
23                               the above-entitled matter was adjourned.]

24                               \_\_\_\_\_  
25                               [WHEREUPON, Late-Filed Hearing Exhibit

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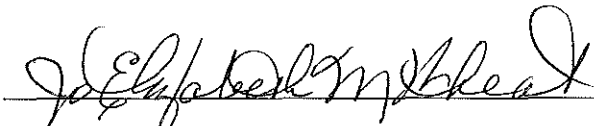
No. 17 was marked and received in  
evidence, upon receipt of same.]

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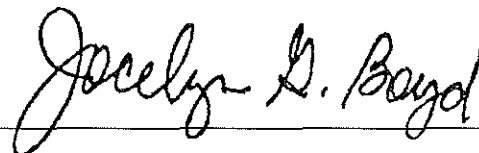
C E R T I F I C A T E

I, Jo Elizabeth M. Wheat, CVR-CM-GNSC, do hereby certify that the foregoing is, to the best of my skill and ability, a true and correct transcript of all the proceedings had and testimony adduced in an evening public hearing held in the above-captioned matter before the Public Service Commission of South Carolina;

IN WITNESS WHEREOF, I have hereunto set my hand on this the 7th day of April, 2010.

  
Jo Elizabeth M. Wheat, CVR-CM-GNSC

ATTEST:

  
Jocelyn G. Boyd  
INTERIM CHIEF CLERK/ADMINISTRATOR